

Message Text

UNCLASSIFIED

PAGE 01 STATE 062507

ORIGIN EUR-12

INFO OCT-01 ISO-00 OES-06 EPA-04 AID-05 CEA-01 CIAE-00

COME-00 EB-08 EA-09 FRB-01 INR-07 IO-13 NEA-10

NSAE-00 USIA-15 OPIC-06 SP-02 TRSE-00 LAB-04

SIL-01 AGRE-00 OMB-01 L-03 OIC-02 CEQ-01 SS-15

NSC-05 SSO-00 NSCE-00 INRE-00 /132 R

DRAFTED BY COMMERCE:BDC/LD:EFORMAN/EUR/RPE:REBRESLER:CS

APPROVED BY EUR/RPE:EDWARD A. CASEY

OES - PGLASCOE

EPA - FSMITH

RPE - JPOLANSKY

-----212243Z 030038 /73

O 212209Z MAR 77

FM SECSTATE WASHDC

TO USMISSION OECD PARIS IMMEDIATE

UNCLAS STATE 062507

E.O. 11652: N/A

TAGS: EIND, OECD

SUBJECT: PEARCE REPORT ON ECONOMICS OF WASTE RECYCLING
IN PAPER INDUSTRY

REFS: A) OECD PARIS 6541; B) ENV/WMP/76.6

1. US MISSION SHOULD INFORM DSTI THAT USG REGRETS THE FAILURE OF INDUSTRY COMMITTEE DELEGATES TO RECEIVE IN TIMELY FASHION PEARCE REPORT, AND HOPES THAT SECRETARIAT WILL IN THE FUTURE DO EVERYTHING POSSIBLE SO THAT INDUSTRY COMMITTEE DELEGATES CAN HAVE SUFFICIENT OPPORTUNITY TO REVIEW DOCUMENTS.

2. REGRET THAT FRED SMITH WILL NOT BE ABLE TO ATTEND

UNCLASSIFIED

UNCLASSIFIED

PAGE 02 STATE 062507

CONSULTATIVE GROUP MEETING IF IT IS HELD MARCH 22. WASHINGTON AGENCIES HAVE DECIDED NOT TO INVITE INDUSTRY EXPERT TO ATTEND MEETING. MISSION OFFICER SHOULD ATTEND MEETING AND SHOULD STATE THAT USG IS CONCERNED IN PARTICULAR WITH SECTIONS 5.13 - 5.15 OF THE PEARCE REPORT DEALING WITH DISCRIMINATORY SUBSIDIES. USG FINDS THE DESCRIPTION OF THE DETAILS OF RELEVANT U.S. TAX POLICY OPEN TO QUESTION. MORE-

OVER, USG BELIEVES THE RELEVANT POLICIES OF OTHER OECD MEMBER COUNTRIES SHOULD ALSO HAVE BEEN CONSIDERED.

3. USDEL SHOULD INSIST UPON FOLLOWING CHANGES.

A) CHANGE TITLE OF 5.13(IV) TO "TAX POLICY AND THE USE OF VIRGIN MATERIALS";

B) CHANGE TEXT 5.13(IV) TO READ "IN SOME COUNTRIES, TAX AND OTHER GOVERNMENT POLICIES TOUCH UPON THE USE OF VIRGIN MATERIALS. IN NORTH AMERICA, FOR EXAMPLE, THE ISSUE IS MUCH DEBATED,"

C) DELETE ALL 5.14, INCLUDING SUBPARAGRAPHS,

D) SHIFT POSITION OF 5.15 FROM MAIN TEXT TO FOOTNOTE. AS FOOTNOTE DELETE FIRST SENTENCE. CHANGE PARAGRAPH TO READ "WITHIN THE DEBATE IN THE UNITED STATES, THE U.S. ENVIRONMENTAL PROTECTION AGENCY (USEPA) HAS CALCULATED (USEPA 1974), WITHOUT NECESSARILY SPEAKING FOR THE U.S. GOVERNMENT AS A WHOLE, WHAT IT SEES AS THE APPROXIMATE ADVANTAGES PROVIDED VIRGIN PULP PRODUCERS BY U.S. TAX LAWS. THE US EPA CALCULATES THIS BENEFIT TO BE \$0.90PER TON OR ABOUT \$38 MILLION IN ALL. THE USEPA ARGUES THAT THE REMOVAL OF THIS BENEFIT WOULD ELIMINATE \$1.80 OF THE \$2.50 ADVANTAGE CURRENTLY ENJOYED BY VIRGIN. LESS OF THE DIFFERENTIAL WOULD DISAPPEAR IN PRINTING PAPERS, BUT UP TO 60 OF THE DIFFERENTIAL IN COMBINATION BOXBOARD COULD UNCLASSIFIED

UNCLASSIFIED

PAGE 03 STATE 062507

ALSO BE REMOVED (SEE ALSO GODDARD 1975). NEVER-THELESS, THESE VIEWS ARE NOT UNIVERSALLY ACCEPTED WITHIN THE U.S., AND THE DEBATE CONTINUES. AN INTERAGENCY RESOURCE CONSERVATION COMMITTEE HAS BEEN ESTABLISHED IN THE UNITED STATES TO INVESTIGATE THESE ISSUES IN DETAIL OVER THE COMING YEAR.

4. USDEL SHOULD NOTE THAT INACCURACY AND TREATMENT ONLY OF U.S. TAX POLICY CONTINUES IN PARAGRAPH 12.2. USDEL SHOULD INSIST THAT LAST SENTENCE OF THIS PARAGRAPH READ "THE POSSIBLE EFFECTS OF TAX POLICY ON THESE ADVANTAGES WERE DISCUSSED EARLIER".

5. USDEL SHOULD STATE THAT THESE COMMENTS DO NOT NECESSARILY IMPLY USG ACCEPTANCE OF OTHER PARTS OF PEARCE REPORT.

6. REQUEST MISSION OBTAIN COPY OF NEXT DRAFT OF REPORT AND

FORWARD TO WASHINGTON AS SOON AS POSSIBLE FOR REVIEW.

VANCE

UNCLASSIFIED

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: PAPER INDUSTRY, WASTE DISPOSAL, COMMITTEE MEETINGS, ECONOMISTS, MEETING REPORTS
Control Number: n/a
Copy: SINGLE
Sent Date: 21-Mar-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01-Jan-1960 12:00:00 am
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1977STATE062507
Document Source: CORE
Document Unique ID: 00
Drafter: BDC/LD:EFORMAN/EUR/RPE:REBRESLER:CS
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D770096-1081
Format: TEL
From: STATE
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1977/newtext/t19770338/aaaabgsy.tel
Line Count: 118
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: e19ed4b4-c288-dd11-92da-001cc4696bcc
Office: ORIGIN EUR
Original Classification: UNCLASSIFIED
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 3
Previous Channel Indicators: n/a
Previous Classification: n/a
Previous Handling Restrictions: n/a
Reference: 77 OECD PARIS 6541
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 23-Sep-2004 12:00:00 am
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 3043393
Secure: OPEN
Status: NATIVE
Subject: PEARCE REPORT ON ECONOMICS OF WASTE RECYCLING IN PAPER INDUSTRY
TAGS: EIND, US, OECD
To: OECD PARIS
Type: TE
vdkgvwkey: odb://SAS/SAS.dbo.SAS_Docs/e19ed4b4-c288-dd11-92da-001cc4696bcc
Review Markings:
Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
22 May 2009
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009